



MAYOR'S OFFICE
CITY OF PORTLAND, INDIANA
Bruce W. Hoster, Mayor

February 26, 2010

Honorable Richard G. Lugar
United States Senate
306 Hart Senate Office Building
Washington, D.C. 20510

RE: City of Portland, Indiana FY 11 Appropriations Project Request
North Side Sewer Separation Project

Dear Senator Lugar:

The City of Portland is respectfully submitting a FY 11 Project Appropriations request to your office for financial assistance to aid in the construction of the North Side Sewer Separation Project for the City of Portland, Indiana.

The North Side Sewer Separation Project is one of several sewer separation projects proposed in the City of Portland's Long Term Control Plan for elimination of existing combined sewer overflows (CSO's) in the city's wastewater treatment system as mandated by the Environmental Protection Agency and the Indiana Department of Environmental Management. The project is scheduled to begin in 2010, with construction commencing in 2011.

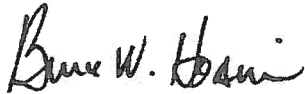
The City of Portland's Long Control Plan was approved by the Indiana Department of Environmental Management in 2008 and the first phase of construction is underway, but estimates for completion of the projects outlined in the LTCP currently stand at \$26,229,000.00. The current estimate for the North Side Sewer Separation Project is \$6,996,000. Rate studies are underway to establish potential rate increases that will be necessary to help fund the project, but additional funds are needed in order to minimize the burden that these substantial project costs will have on our citizens.

In addition, the North Side Sewer Project area includes a large portion of the City's industrial base. This area has seen continued growth and development in spite of ongoing economic hardship throughout the rural, east central Indiana region. The city has invested much time and money in planning for the future growth of the area and

those plans have been fruitful. The creation of a TIF District, annexation, improved roads and other support infrastructure have all been completed in the area over the last 4 years and approximately \$20 million dollars in additional private investment has occurred as a result. The area has a supply of undeveloped land that is available for growth, however, the improvement of wastewater infrastructure is critical in order to meet demands.

Thank you for the opportunity to submit this request. I look forward to meeting with you in mid-March at your office in Washington to further discuss the potential of this project.

Respectfully,

A handwritten signature in black ink, reading "Bruce W. Hosier". The signature is written in a cursive, flowing style.

Mayor Bruce W. Hosier